

me of a new American star, Ichiro. [*Laughter*] The Prime Minister can hit anything you throw at him. [*Laughter*]

Over the years we Americans have seen our share of economic challenges. In the late seventies and early eighties, our competitiveness was weak; our banks were in trouble; high taxes and needless regulation discouraged risktaking and strangled innovation. America overcame these difficulties by reducing taxes and by reducing regulations. We moved nonperforming loans to market, making way for new investment. As we made reforms, foreign investors regained faith in us, especially investors from Japan.

We learned that, in times of crisis and stagnation, it is better to move forward boldly with reform and restructuring than to wait, hoping that old practices will somehow work again. Through bold action, we emerged a better and stronger economy, and so will you.

Over the past few years, Americans have increased our investments in Japan, further binding our nations and showing confidence in your future. Japan has a proud history of moving forward, not through revolutions but through restorations.

One of the heroes of the Meiji Restoration, Yukichi Fukuzawa, was a student of the economic ideas that transformed the Western world. He saw these ideas spark prosperity and lift millions out of poverty, and he sought to introduce them to his people. As he translated an influential economics textbook into Japanese, he came

across an English word with no Japanese equivalent, "competition." So he coined a new word, *kyoso*, and forever enriched the Japanese language.

But *kyoso* is more than just a word. It is a spirit and an ethic. It is an engine that drives innovation and unleashes the potential of free people. More than a century ago, competition helped propel Japanese economy into the modern era. A half-century ago, it accelerated the Japanese postwar economic miracle admired by the world. Now Japan has embarked on a new restoration, a restoration of prosperity and economic growth through fundamental reform and the full embrace of competition.

In all the work that lies ahead, in the defense of freedom, in the advance of development, in the work of reform, you'll have a firm ally in the American Government, and you'll have a constant friend in the American people.

Thank you very much.

NOTE: The President spoke at 10:35 a.m. in the Chamber of the House of Councillors. In his remarks, he referred to Tamisuke Watanuki, Speaker, House of Representatives; Yutaka Inoue, President, House of Councillors; Prime Minister Junichiro Koizumi of Japan; U.S. Ambassador to Japan Howard H. Baker, Jr., and his wife, former Senator Nancy Kassebaum Baker; Emperor Akihito and Empress Michiko of Japan; and Ichiro Suzuki, Major League Baseball player, Seattle Mariners.

The President's News Conference With President Kim Dae-jung of South Korea in Seoul, South Korea February 20, 2002

President Kim. I would like to give my presentation. First, on behalf of the Korean people, I would like to warmly welcome President Bush and thank him for taking

time out of the war against terrorism to visit our country. This visit is the first by President Bush since his Inauguration, and it is also the first by an American President

in the 21st century. It is for this reason that this visit will lay the foundation for future progress in Korean-U.S. relations in this century.

During today's meeting, President Bush and I recognized that the Korea-U.S. alliance is indispensable not only for stability on the Korean Peninsula but also in North-east Asia as a whole. Furthermore, President Bush and I expressed satisfaction that the bilateral alliance is not limited to cooperation in security matters but that the comprehensive partnership has expanded and developed to all areas, including political, economic, and diplomatic arenas.

President Bush and I exchanged views about the war against terrorism and future course of action. I praised President Bush for the success in the war against terrorism under his outstanding leadership and indicated that Korea as an ally would do its utmost to cooperate and provide full support.

President Bush and I agreed to work with mutually consistent objectives and strategies in close consultation in pursuing the North Korean policy. I greatly appreciate President Bush's staunch support for our sunshine policy, as well as the U.S.'s unconditional proposal to dialog with North Korea.

President Bush and I also discussed in-depth issues related to the threat of WMD proliferation, such as the possibility of terrorists obtaining WMDs, and U.S. efforts to deter their spread across the world. In this regard, we also concurred that the objective is to resolve the issue of North Korean WMDs and missiles at an early date through dialog. To this end, we agreed that Korea-U.S. joint efforts were necessary.

President Bush and I concurred that continued expansion and progress of bilateral, economic, and trade relations are in the interest of both our countries. Furthermore, we also agreed to further deepen cooperative relations at the multilateral level, such as the WTO Doha development agenda.

I am more than satisfied with the frank and open exchange of views I had with President Bush this morning on numerous issues. I would like to take this opportunity to express my heartfelt gratitude to President Bush for the interest he has expressed in peace on the Korean Peninsula, for the unparalleled affection he has for Korea, as well as the efforts and enthusiasm he has demonstrated in the development of bilateral relations.

Thank you.

President Bush. Thank you, Mr. President. It is such an honor to be here. Laura and I are grateful for your hospitality and the hospitality of First Lady Hee-ho. We look forward to a full day in your beautiful country.

The President is right; we had a great meeting. It was so good that we didn't want to go into the meeting room where there was more people. We had a very frank exchange. And that's important when you're friends, to be able to discuss issues in depth.

A lot of times I find in the diplomatic world that people want to gloss over issues; they don't want to spend much time really understanding each other's positions. Because of our friendship, because of the friendship between our countries, we had a very frank exchange and a positive exchange, and one that allows me to safely say that this relationship is 50 years old, the relationship between South Korea and America, and it's seen a lot of problems. And we've dealt with those problems together. And I'm confident we'll be dealing with problems 50 years from now in a spirit of cooperation and openness.

I understand how important this relationship is to our country, and the United States is strongly committed to the security of South Korea. We'll honor our commitments. Make no mistake about it that we stand firm behind peace in the Peninsula. And no one should ever doubt that, Mr. President. No one should ever doubt that this is a vital commitment for our Nation.

It's also vital that we continue to trade together. And so we obviously discussed issues of the—security issues on the Peninsula. We also discussed ways to make sure our trade was more open and fair to both sides. I'm very impressed by the amount of investment capital, foreign capital that has come into South Korea in the last 4 years. It's a testimony to a country that understands open markets and freedom. And I'm going up to the DMZ here in a little bit, and it's going to be an interesting contrast, to talk about the benefits and the dividends of freedom. And part of those is an economy that is vibrant and improving, thanks to structural reforms.

I assured the President we're doing everything we can in our country, as well, to make sure our economy recovers. It's hard to be a good trading partner if you don't have a good economy, and we're beginning to see signs that there's economic vitality in America, which will be good for our partners here in South Korea as well.

And of course, we talked about North Korea. And I made it very clear to the President that I support his sunshine policy. And I'm disappointed that the other side, the North Koreans, will not accept the spirit of the sunshine policy.

We talked about family reunifications, the displaced family initiative that he started, which I think is a great initiative. And yet only 3,600 families, I believe it was, have been allowed to reunite. I asked him how many—what's the potential—what are the potential families on both sides of the DMZ that could reunite. He said, 10 million people.

In order to make sure there's sunshine, there needs to be two people, two sides involved. And I praised the President's efforts. And I wonder out loud why the North Korean President won't accept the gesture of good will that the South Korean President has so rightfully offered. And I told him that we, too, would be happy to have a dialog with the North Koreans. I've

made that offer, and yet there has been no response.

Some in this country are—obviously have read about my very strong comments about the nature of the regime. And let me explain why I made the comments I did. I love freedom. I understand the importance of freedom in people's lives. I'm troubled by a regime that tolerates starvation. I worry about a regime that is closed and not transparent. I'm deeply concerned about the people of North Korea. And I believe that it is important for those of us who love freedom to stand strong for freedom and make it clear the benefits of freedom.

And that's exactly why I said what I said about the North Korean regime. I know what can happen when people are free; I see it right here in South Korea. And I'm passionate on the subject, and I believe so strongly in the rights of the individual that I, Mr. President, will continue to speak out. Having said that, of course, as you and I discussed, we're more than willing to speak out publicly and speak out in private with the North Korean leadership. And again, I wonder why they haven't taken up our offer.

This is going to be a great visit for us, Mr. President. It's going to be a great visit because it's a chance for me to say clearly to the South Korean people: We value our friendship; we appreciate your country; we share the same values; and we'll work together to make sure that our relationship improves even better as we go into the 21st century.

Mr. President, thank you, sir.

North Korea

Q. First, I have a question for President Kim. There is a difference between the axis of evil and the sunshine policy. Do you feel that the gap was overcome during this summit? And right now, the Korean people are concerned about how inter-Korean relations will develop following the

summit. How do you perceive the inter-Korean relations to develop in the future?

President Kim. In my view, I believe that the U.S. policy and the Korean policy are fundamentally similar, and there are no major differences. We both believe in democracy and a market economy. Furthermore, we are allies. Korea and the U.S. are strong allies, and I believe that this is important and vital for the national interest of both our countries. And so that's our top priority.

Furthermore, in matters related to North Korea, regarding the WMD or missiles or nuclear issues, our views have coincided. And during the summit meeting this morning, I believe that there was no difference in opinion between our two leaders. And we believe that it is through dialog that we will be able to resolve this issue, and we agreed on this point.

Therefore, recently in the press, there were some indications that there might be some difference of opinion. But during the conversation that I had this morning with President Bush, we were able to reconfirm that there is no difference of opinion between Korea and the U.S. And in the future, regarding North Korean issues, we were able to reaffirm that we have made the proposal to North Korea to dialog, and it is through dialog that we hope to resolve all of the issues. And so we hope that North Korea will, at an early date, accept our proposal and that inter-Korean dialog and dialog between North Korea and the U.S. will resume.

On September 15th, there was the fifth inter-Korean interministerial meeting, and several issues were decided. There were 10 agreements made regarding the meeting of separated families and the relinking of the Kyongui railroad line, and we are implementing these agreements. Thank you.

Press Secretary Ari Fleischer. Mr. Jim Angle from Fox Television.

Q. Thank you, Mr. President. Mr. President, some South Koreans, perhaps even President Kim, had some concerns about

your comments about the axis of evil and North Korea. How do you think your approach fits with and helps the sunshine policy?

And if I may, President Kim, did you have any misgivings, sir, about the President including North Korea in the axis of evil? And secondly, why do you think that North Korea is genuine about opening up? We have heard here about their failure to participate in the reunification of families. They haven't built their end of the rail line, and they refuse to talk to the U.S. What makes you think they're sincere in wanting to open up?

President Bush. You know, during our discussion, President Kim reminded me a little bit about American history, when he said that President Reagan referred to Russia as the "evil empire," and yet, was then able to have constructive dialog with Mr. Gorbachev.

I will believe—I will not change my opinion on the man, on Kim Chong-il, until he frees his people and accepts genuine proposals from countries such as South Korea or the United States to dialog, until he proves to the world that he's got a good heart, that he cares about the people that live in his country.

I am concerned about a country that is not transparent, that allows for starvation, that develops weapons of mass destruction. I care very deeply about it because it is in the neighborhood of one of our very close friends. I don't see—and so, therefore, I think the burden of proof is on the North Korean leader, to prove that he does truly care about people and that he is not going to threaten our neighbor.

We're peaceful people. We have no intention of invading North Korea. South Korea has no intention of attacking North Korea, nor does America. We're purely defensive. And the reason we have to be defensive is because there is a threatening position on the DMZ. But we long for peace. It is in our nations' interest that we achieve peace on the Peninsula.

I also want to remind the world that our Nation provides more food to the North Korean people than any nation in the world. We are averaging nearly 300,000 tons of food a year. And so, obviously, my comments about evil was toward a regime, toward a government, not toward the North Korean people. We have great sympathy and empathy for the North Korean people. We want them to have food. And at the same time, we want them to have freedom. And we will work in a peaceful way to achieve that objective.

That was the purpose of our summit today, to reconfirm that our Nation—my Nation is interested in a peaceful resolution of the—here on the Korean Peninsula. And at the same time, of course, I made it clear that we would honor our commitments to help South Korea defend herself if need be.

I think we had a question for the President.

President's Upcoming Visit to China

Q. Mr. Mike Allen of the Washington Post.

President Bush. He got cut off, I think. He just got filibustered. [Laughter]

Q. Mr. President, in Beijing, do you plan to meet with any political dissidents or Christian activists? How did you decide that? And what do you plan to do to try to persuade the Chinese Government to extend more rights to these individuals?

President Bush. Mike, I am not exactly sure of all the details of my schedule yet, since I'm focused here on this incredibly important relationship. I can tell you that in my last visit with President Jiang, I shared with him my faith. I talked to him on very personal terms about my Christian beliefs. I explained to him that faith had an incredibly important part in my life, and it has a very important part in the lives of all kinds of citizens and that I would hope that he, as a President of a great nation, would understand the important

role of religion in an individual's life. That's why I put it in that context.

I then segued into discussions about the Catholic Church, and I will do so again. I will bring up the need that there be a—that I would hope the Government would honor the request of the Papal Nuncio to be able to at least have dialog about bishops that are interned there. And I also talked about the Dalai Lama, as well as Christian faiths, and I will do so again.

As to what my schedule is and who I'm going to see, I'm not sure yet, Mike.

North Korea/South Korea-U.S. Summit

Q. I first have a question for President Bush. During your presentation you said that you are ready to dialog with North Korea at any time, anywhere. If North Korea accepts, then will you continue with the economic aid to North Korea? And also, in order to tell Pyongyang that you are ready to dialog, are you willing to send an envoy?

My next question is to President Kim. You said that you are satisfied with the summit meeting. What do you feel is the biggest achievement of the summit meeting?

President Bush. Well, first, dialog or no dialog, we will continue to send food to the North Korean people. I reiterate, our issue is not with the North Korean people. As a matter of fact, we have great sympathy for the North Korean people. Any people that live under a despotic regime is—has our sympathy. And so I presume that's the economic aid we're referring to. We will send food.

As to how any dialog were to begin, it obviously takes two willing parties. And as people in our Government know, last June, I made the decision that we would extend the offer for dialog. We just haven't heard a response back yet. And how we end up doing that is a matter of the diplomats. The great Secretary of State will be able to handle the details. But the offer stands, and if anybody's listening involved with the

North Korean Government, they know that the offer is real, and I reiterate it today.

President Kim. Yes, at this morning's summit meeting, I believe that I am most satisfied with the fact that we were able to have a frank and open discussion, and we were able to reconfirm that we are close allies; not only are our two countries allies, but I believe that we have become close personal friends as well. And so I believe that we will be able to learn a lot from each other and that we will be able to understand each other more and better in the future. And we were able to have an open and frank dialog, and I am most satisfied about that.

And the second point is that at today's summit meeting, even before we had the summit meeting, we had agreed that we would talk on the four main issues and that we wanted to have concrete results on four areas, and that is to reconfirm the Korea-U.S. alliance. The second was to fight against terrorism and that we would work on a global scale in order to uproot terrorism and that we would continue to cooperate in order to do so. And third is for the North Korean WMDs and missile issue must be resolved. And this is, more than any other country in the world, it is a matter directly related to the security issue of Korea. The fourth issue is that for inter-Korean relations, to resolve the current issues such as the WMDs and the

missile issue, we must resolve these issues through dialog.

And so, regarding these four points, I concurred and I agreed with President Bush, and as was mentioned earlier, President Bush is more than ready to dialog with North Korea. And he has reiterated his position. And the Korean people, I believe, will be assuaged by this reiteration. And I believe that President Bush's visit to Korea will reaffirm the alliance between our two countries and will also lay the foundation for inter-Korean relations and improvement in those relations.

In the future, regarding economic issues, and also the Winter Olympics, which are being held in Salt Lake City, and also the World Cup, we are going to have to deal with security issues, and we agree that there will be a lot of cooperation between our two countries in order to ensure the security in those events.

This concludes the joint press conference. Thank you very much.

NOTE: The President's news conference began at 11:15 p.m. at the Blue House. In his remarks, he referred to President Kim's wife, Lee Hee-ho; Chairman Kim Chong-il of North Korea; and President Jiang Zemin of China. President Kim spoke in Korean, and his remarks were translated by an interpreter. A portion of this news conference could not be verified because the tape was incomplete.

Remarks at the Dorasan Train Station in Dorasan, South Korea February 20, 2002

Mr. President, it's a great honor to be here as your guest. Your love of democracy and example of courage have changed Korea, have challenged Asia, and inspired the great respect of my Government and my country. All your life you have seen the hope of change and progress where

few could imagine it. You have shown that sometimes the conscience and will of a single individual can move history. I admire your visionary leadership, and I thank you for your hospitality to Laura and me.

We gather today surrounded by reminders of the challenges to peace and stability